

V. J. SKUTT
CHAIRMAN OF THE BOARD
D. D. ULFERS
PRESIDENT

Mutual
OF OMAHA



your good neighbor

MUTUAL OF OMAHA INSURANCE COMPANY

HOME OFFICE OMAHA, NEBRASKA

WASHINGTON, D.C., REGIONAL GROUP OFFICE
SUITE 1215, 1750 PENNSYLVANIA AVE., N.W.
WASHINGTON, D.C. 20006
298-8084

NORMAN C. CONWAY
MANAGER

August 28, 1967

PERSONAL & CONFIDENTIAL

Government Employee Health Association
Post Office Box 463
Washington, D.C. 20044

Hospital Indemnity Program

Dear [redacted]

During our last meeting with you and [redacted] we discussed, among other things, the possibility of writing a group hospital indemnity policy for those GEHA members currently insured under GMG 1799.

A \$10 per day plan providing coverage from the first day of hospital confinement through the ninetieth day would cost \$1.35 per month per member and \$3.12 per month for a member and all dependents covered under GMG 1799. The rates for a \$20 per day plan would be \$2.70 and \$6.24 respectively.

I have enclosed a retention exhibit based on the Home Office underwriting requirement of 3000 insured members and 2000 dependent units for both the \$10 and \$20 programs.

On the assumption that you would not wish to offer this coverage to dependents, I have requested the Home Office to prepare new retention exhibits based on members only.

I will be out of the city until Thursday, I will call you upon my return.

Sincerely,

Norm Conway

Norman C. Conway
Regional Manager

NCC:sak
Enc.

NAME GOVERNMENT EMPLOYEES HEALTH ASSOCIATION HOSPITAL INDEMNITY

RETENTION EXHIBIT

Health	Net Annual	Incurred								
Total	Premium	Claims	EE Lives	3,000	Administration:	IBM Cards	Self-Administration	Commissions:	10 Yr. Level	
	<u>\$91,080</u>	<u>\$63,756</u>	Dep Units	<u>2,000</u>	Initial Certs	Self-Administration				
	<u>\$91,080</u>	<u>\$63,756</u>			Renewal Certs	Self-Administration				
					Benefits	Self-Administration				

Year	Net Annual Premium	Incurred Claims	Retention	Refund	Agent Commission	Taxes	Administrative Expenses	Amortization of Acquisition	Risk Charge
1	\$91,080	\$63,756	\$10,822 11.88%	\$16,502 18.12%	\$1,755	\$1,491	\$5,103	\$1,107	\$1,366
2	91,080	63,756	10,819 11.88	16,505 18.12	1,755	1,491	5,103	1,104	1,366
3	91,080	63,756	10,355 11.37	16,969 18.63	1,755	1,482	5,103	1,104	911
4	91,080	63,756	10,355 11.37	16,969 18.63	1,755	1,482	5,103	1,104	911
5	91,080	63,756	10,355 11.37	16,969 18.63	1,755	1,482	5,103	1,107	911
6	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
7	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
8	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
9	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
10	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
10 Yr. Avg.	91,080	63,756	9,885 10.85	17,439 19.15	1,755	1,473	5,103	552	1,002

NAME GOVERNMENT EMPLOYEES HEALTH ASSOCIATION HOSPITAL INDEMNITY

RETENTION EXHIBIT

Health	Net Annual Premium	Incurred Claims	EE Lives	3,000	Administration:		Commissions:
Total	<u>\$91,080</u>	<u>\$63,756</u>	Dep Units	<u>2,000</u>	IBM Cards	<u>Self-Administration</u>	10 Yr. Level
					Initial Certs	<u>Self-Administration</u>	
					Renewal Certs	<u>Self-Administration</u>	
					Benefits	<u>Self-Administration</u>	

Year	Net Annual Premium	Incurred Claims	Retention	Refund	Agent Commission	Taxes	Administrative Expenses	Amortization of Acquisition	Risk Charge
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3	91,080	63,756	10,355 11.37	16,969 18.63	1,755	1,482	5,103	1,104	911
4	91,080	63,756	10,355 11.37	16,969 18.63	1,755	1,482	5,103	1,104	911
5	91,080	63,756	10,355 11.37	16,969 18.63	1,755	1,482	5,103	1,107	911
6	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
7	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
8	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
9	91,080	63,756	9,228 10.13	18,096 19.87	1,755	1,459	5,103	-	911
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10 Yr. Avg.	91,080	63,756	9,885 10.85	17,439 19.15	1,755	1,473	5,103	552	1,002

NAME GOVERNMENT EMPLOYEES HEALTH ASSOCIATION HOSPITAL INDEMNITYRETENTION EXHIBIT

Health	Net Annual Premiums	Incurred Claims	EE Lives	Administration:	Commissions:
Total	<u>\$182,160</u>	<u>\$127,512</u>	Dep Units	IBM Cards	10 Yr. Level
	<u>\$182,160</u>	<u>\$127,512</u>		Initial Certs	
				Renewal Certs	
				Benefits	
				Self-Administration	
				Self-Administration	
				Self-Administration	
				Self-Administration	

Year	Net Annual Premium	Incurred Claims	Retention	Refund	Agent Commission	Taxes	Administrative Expense	Amortization of Acquisition	Risk Charge
1	\$182,160	\$127,512	\$15,629 8.58%	\$39,019 21.42%	\$2,310	\$2,862	\$6,268	\$1,457	\$2,732
2	182,160	127,512	15,626 8.58	39,022 21.42	2,310	2,862	6,268	1,454	2,732
3	182,160	127,512	14,697 8.07	39,951 21.93	2,310	2,843	6,268	1,454	1,822
4	182,160	127,512	14,697 8.07	39,951 21.93	2,310	2,843	6,268	1,454	1,822
5	182,160	127,512	14,697 8.07	39,951 21.93	2,310	2,843	6,268	1,454	1,822
6	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
7	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
8	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
9	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
10	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
10 Yr. Avg.	182,160	127,512	14,141 7.76	40,507 22.24	2,310	2,832	6,268	727	2,004

NAME GOVERNMENT EMPLOYEES HEALTH ASSOCIATION HOSPITAL INDEMNITY

RETENTION EXHIBIT

Health	Net Annual Premiums	Incurred Claims	EE Lives	Administration:	Commissions:
Total	<u>\$182,160</u>	<u>\$127,512</u>	Dep Units	IBM Cards	10 Yr. Level
	<u>\$182,160</u>	<u>\$127,512</u>		Initial Certs	
				Renewal Certs	
				Benefits	
				Self-Administration	
				Self-Administration	
				Self-Administration	
				Self-Administration	

Year	Net Annual Premium	Incurred Claims	Retention	Refund	Agent Commission	Taxes	Administrative Expense	Amortization of Acquisition	Risk Charge
1	\$182,160	\$127,512	\$15,629 8.58%	\$39,019 21.42%	\$2,310	\$2,862	\$6,268	\$1,457	\$2,732
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3	182,160	127,512	14,697 8.07	39,951 21.93	2,310	2,843	6,268	1,454	1,822
4	182,160	127,512	14,697 8.07	39,951 21.93	2,310	2,843	6,268	1,454	1,822
5	182,160	127,512	14,697 8.07	39,951 21.93	2,310	2,843	6,268	1,454	1,822
6	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
7	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
8	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
9	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
10	182,160	127,512	13,213 7.25	41,435 22.75	2,310	2,813	6,268	-	1,822
10 Yr. Avg.	182,160	127,512	14,141 7.76	40,507 22.24	2,310	2,832	6,268	727	2,004